

TEXAS ANNUAL INSURANCE TAX REPORT
(UNAUTHORIZED INSURANCE)

b.

• **Type or print.**

• **Do NOT write in shaded areas.**

a. T Code • **71160**

You have certain rights under Chapters 552 and 559, Government Code, to review, request, and correct information we have on file about you. Contact us at the address or toll-free number listed on this form.

c. Taxpayer number

d. Filing period

e.

f. Due date

g. Taxpayer name and tax report mailing address (Make necessary name and address changes below)

g.

h. **IMPORTANT**

Blacken this box if your mailing address has changed. Show changes by the preprinted information. 1.

i.

j.

Check this box if insurance was written by a non-admitted captive insurance company.

PREMIUM TAX CALCULATION

- 1. Total Texas premiums subject to tax (Dollars and cents) 1. • _____
- 2. Premium tax rate 2. .0485
- 3. Total tax due (Multiply Item 1 by Item 2) (Dollars and cents) 3. • _____

If a policy covers risks or exposures only partially in this state, the tax payable is computed on the portion of the premium that is properly allocated to a risk or exposure located in this state. Consistent with Comptroller Rule 3.822, acceptable apportionment or premium allocation standards are as follows:

- A) percentage of physical assets in Texas;
- B) percentage of payroll that applies to employees who are located or conducted business in Texas;
- C) percentage of sales in Texas;
- D) percentage of taxable capital for franchise tax purposes in Texas;
- E) percentage of time that insured's conduct or property is exposed to coverage in Texas; or
- F) any other method of equitable apportionment that is adequately described.

REQUIRED INFORMATION: In the box below, you must provide the requested information for each policy for which you are paying tax. If you need additional space, attach a separate sheet in the prescribed format.

| POLICY NUMBER | NAME AND ADDRESS OF INSURED AND AGENT | GROSS PREMIUM CHARGED | PREMIUM ALLOCATED TO TEXAS | EFFECTIVE DATE OF POLICY | TYPE OF INSURANCE |
|---------------|---------------------------------------|-----------------------|----------------------------|--------------------------|-------------------|
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- 4. Penalty and interest due (See instructions) 4. _____
- 5. TOTAL AMOUNT DUE AND PAYABLE (Item 3 plus Item 4) 5.

Taxpayer name

k.

l.

T Code Taxpayer number Period

71020

I declare that the information in this document and all attachments is true and correct to the best of my knowledge and belief.

Authorized agent

sign here

Preparer's name (Please print)

Daytime phone (Area code & number) Date

Make the amount in Item 5 payable to **STATE COMPTROLLER**. Our mailing address is **111 E. 17th Street, Austin, TX 78774-0100**.

If you have any questions regarding Insurance Tax, you may contact the Texas State Comptroller's field office in your area or call 1-800-252-1387, toll free, nationwide. The Austin number is 512/463-4600.

INSTRUCTIONS FOR COMPLETING THE TEXAS ANNUAL INSURANCE TAX REPORT (UNAUTHORIZED INSURANCE)

NOTE: Statutory references are and will be changing due to the recodification of the Texas Insurance Code.

WHO MUST FILE:

An unauthorized insurance transaction is an insurance activity in Texas by a person or insurer who is not authorized to do insurance business in this state or is an insurer who is authorized, but writes coverage for which the insurer is not approved. Insurance activities performed in Texas by a non-admitted captive insurance company that insures only the risks of the parent or affiliated company are still considered unauthorized insurance transactions because the non-admitted captive insurance company is not authorized by the state of Texas; however, the regulatory prohibitions and sanctions applicable to unauthorized insurance transactions do not apply to the non-admitted captive insurance company. This does not exempt the non-admitted captive insurance company from the payment of premium tax on this business. Every unauthorized insurer, including an eligible surplus lines insurer that writes coverage for which the insurer is not approved for residents of Texas, must file the report, **except** for situations that involve:

- (a) transactions by an insurer that is qualified as an eligible surplus lines insurer that conducts business in accordance with the regulations set forth in Chapter 981, Insurance Code (any business conducted by the insurer that is not in compliance with Chapter 981 is considered unauthorized insurance); or
- (b) independently procured insurance as described in Section 101.053(b)(4), Insurance Code, **on which premium tax has been paid.**

WHEN TO FILE:

The report is due on or before March 1 following the calendar year in which the insurance was effectuated, continued, or renewed. If the due date falls on a Saturday, Sunday, or legal holiday, the next business day is the due date.

EXEMPTIONS AND EXCLUSIONS:

Premiums on risks or exposures that are properly allocated to federal waters, international waters, or under the jurisdiction of a foreign government are not taxable by this state. In addition, there are certain federal preemptions from state taxation for the Federal Deposit Insurance Corporation (FDIC) or the Resolution Trust Corporation (RTC) when they are acting as a receiver of a failed financial institution holding the property being insured, a federally chartered credit union, and the National Credit Union Administration (NCUA).

SPECIFIC INSTRUCTIONS:

Item c - If a taxpayer number has not been established for you by this agency, and you are the sole owner, enter your Social Security number under Item c. For other types of organizations, enter the Federal Employer Identification Number (FEIN) assigned to your organization. Disclosure of your social security number is required and authorized under law, for the purpose of tax administration and identification of any individual affected by applicable law. 42 U.S.C. sec. 405(c)(2)(C)(i); Tex. Gov't. Code secs. 403.011 and 403.078. Release of information on this form in response to a public information request will be governed by the Public Information Act, Chapter 552, Government Code, and applicable federal law.

Item 4 - Penalty and interest:

1-30 days late: Enter penalty of 5% (.05) of Item 3.

31-60 days late: Enter penalty of 10% (.10) of Item 3.

Over 60 days late: Enter penalty of 10% (.10) of Item 3 **plus** interest. Calculate interest at the rate published online at <<http://www.window.state.tx.us>>, or call the Comptroller toll free at 1-877-44RATE4, for the applicable interest rate.